Government of Saskatchewan

Annual Report 1984-85

Northern Affairs Secretariat

For the Fiscal Year Ending March 31, 1985

Minister
Honourable Sid Dutchak

Secretary
Walter F. Keyes

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Contents

3. Minister's Letter of Transmittal
4. Secretary's Letter of Transmittal
5. Message from the Secretary
6. Overview of Northern Saskatchewan
8. The Year's Achievements
11. Organization Chart

Minister's Letter of Transmittal

Honourable Frederick W. Johnson
Lieutenant Governor of the
Province of Saskatchewan

Sir:

I hereby respectfully submit the annual report of the Saskatchewan Northern Affairs Secretariat for the fiscal year ended March 31, 1985.

Sid Dutchak
Minister Responsible for the
Northern Affairs Secretariat

Honourable Sid Dutchak, Minister Responsible for the Northern Affairs Secretariat

Secretary's Letter of Transmittal

Honourable Sid Dutchak
Minister Responsible for the
Northern Affairs Secretariat

Sir:

I have the honour of submitting to you the annual report of the Saskatchewan Northern Affairs Secretariat for the fiscal year ended March 31, 1985.

Respectfully submitted,

Walter F. Keyes
Secretary

Walter F. Keyes, Secretary
Northern Affairs Secretariat

Message from the Secretary

I am pleased to submit the first annual report of the Northern Affairs Secretariat.

In the process of realigning the functions and responsibilities of the former Department of Northern Saskatchewan, it was recognized that potential existed to lose focus on important northern issues and opportunities. To guard against this, the realignment process was accompanied by plans to establish an agency to help coordinate government's efforts in the north and to provide a ready channel for northern residents to communicate their views to government.

Options for the structure and operating style of the new agency were developed in the latter part of 1983. Considerations included analysis of efforts undertaken by other Canadian jurisdictions. The option chosen was a small, northern-based secretariat with an emphasis on policy development and coordination rather than program delivery.

The Northern Affairs Secretariat was formally established by the coming into force of the **Northern Affairs Secretariat Act** on April 1, 1984.

The Secretariat is not a successor to the former Department of Northern Saskatchewan but was established rather with a totally new mandate and purpose. During this first year of operation, organizational and staffing matters were of primary concern. At the same time, the Secretariat embarked on initiatives on several fronts toward the fulfilment of its mandate and objectives.

I wish to thank the staff of all agencies of the government who provided their able assistance during this formative period.

Walter F. Keyes
Secretary

Overview of Northern Saskatchewan

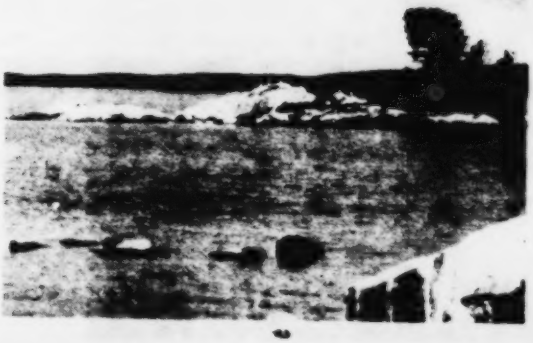
Approximately one half of the land mass of Saskatchewan lies north of the grain belt stretching to the sixtieth parallel of latitude. This is a land of timber, water and rock. Saskatchewan's north differs greatly from the southern part of the province in geography, culture and socio-economic realities.

Much of the north is part of the Pre-Cambrian Shield, an ancient geological area of exposed bedrock, dense forests and innumerable lakes. In the northwest - the Lake Athabasca region - eskers, moraines, great sand plains and other remnants of glacial action are readily visible. Throughout the north, muskeg, marsh, rivers and streams abound, draining eventually into either the Churchill or Mackenzie River systems. Tracts of pine, white and black spruce, Manitoba maple, white elm, birch and aspen form a boreal forest covering much of the north.

Northern Saskatchewan is a land of spectacular beauty. Its resources and its people combine to provide a potential rarely found. It is an area almost unknown within its own province, rich in culture and tradition.

The province's first permanent settlement is here, at Cumberland House. Places with exotic names such as Portage La Loche, Lac des Serpents, Ile a la Crosse and Lac La Ronge were well known to entrepreneurs in Montreal and London, England long before Prince Albert, Saskatoon or Regina came into existence. La Ronge in the south central part of the region is the largest town in northern Saskatchewan and serves as the administrative and commercial "hub" of the north.

The north is rich in mineral deposits such as gold, copper, nickel, uranium, silver, zinc, molybdenum and palladium. Other resources include vast areas of timber, a multitude of lakes with an array of fish species for both the sports angler and the commercial fisherman, and fur-bearing and big game animals. Agriculture in the north, exemplified by wild rice production, is attracting considerable interest. The tourism industry is an increasingly important source of income for many northerners. The vast waterways of the north, which comprise a significant portion of Canada's fresh water, are considered an extremely valuable resource for future development.

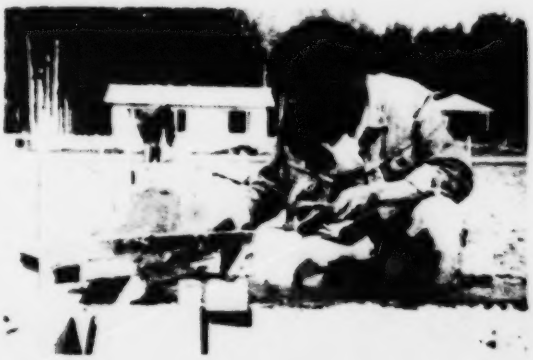


Compared to the southern half of the province, northern Saskatchewan exhibits marked differences in a number of key social and economic areas.

Less than 30,000 people inhabit the northern half of the province, scattered among some forty communities. Over fifty percent of the population is under twenty years of age and, although growth rates are slowing, the population is still increasing at over twice the provincial rate.

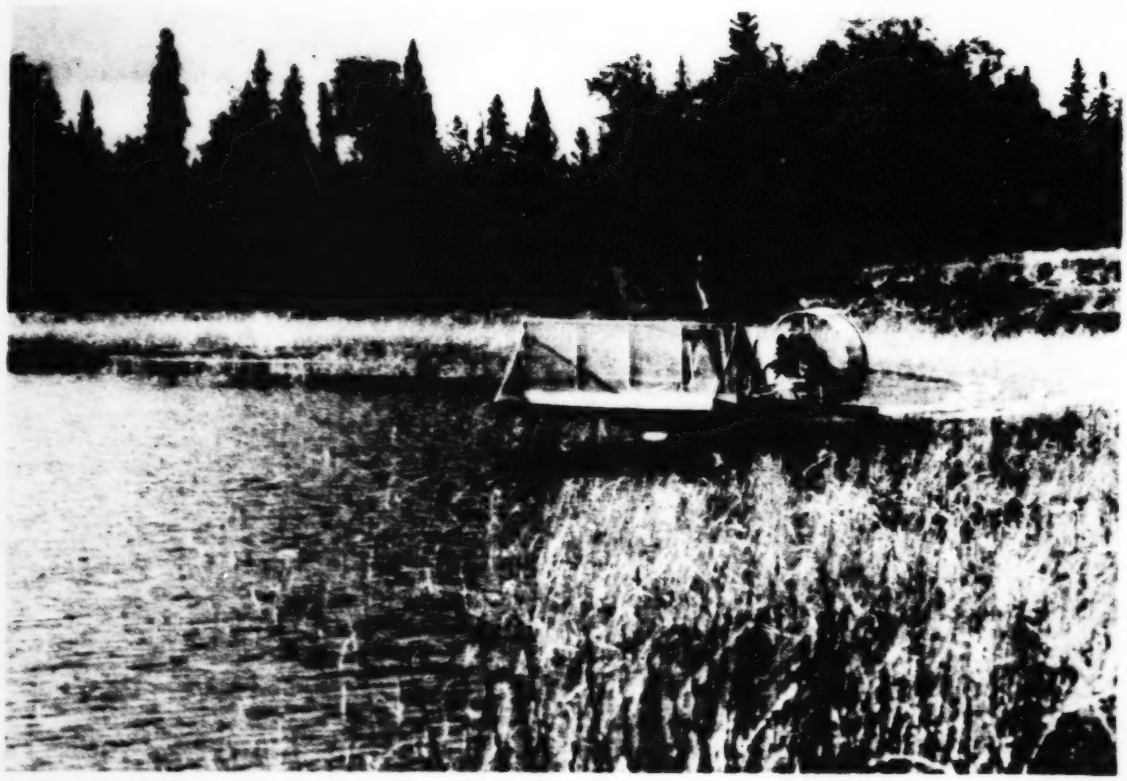
Levels of formal education are generally low among northern residents, and school dropout rates far exceed provincial averages. Unemployment is exceedingly high across the north, and is reported to be upward of 80% in the smaller and more isolated communities. At the same time, about one-half of the northern labour force is made up of in-migrant workers.

Economic opportunities in most northern areas are scarce. Per capita incomes are low. There are no commercial financial institutions north of La Ronge. Recent major developments, particularly in the mining sector, have been on a scale requiring multi-national corporate investment and an influx of skilled employees. Many of these developments have occurred in areas of low population density and have had important but limited positive impact on most communities.



In brief, there are several obvious and serious disparities between the north and the south. The problems, while serious, are not insurmountable. Much of the province's untapped resource potential in mining, fishing, forestry, tourism and even agriculture lies in the north. The issue facing government is how to best reduce these north-south disparities and how to stimulate the regional economy so that the north can become an equal partner in all the aspects of provincial development.

The Year's Achievements



Northern Economic Development Subsidiary Agreement (NEDSA)

Northern development was one of a number of priorities identified in the Canada Saskatchewan Economic and Regional Development Agreement signed early in 1984. During the year under review, negotiation of the northern subsidiary agreement and planning for its implementation in 1985-86 was a major focus of activity.

The NEDSA was officially agreed to in August, 1984. This five-year $36 million cost-shared agreement is aimed at enhancing long term employment prospects for northern residents and stimulating northern business initiatives. The agreement is regional in its approach and is intended to supplement other programs and sources of financial support available for northern development.

Provincial contributions to the NEDSA are intended to come from a variety of line departments and agencies with northern program responsibilities. As provincial administrators of the NEDSA, Secretariat staff provide a significant co-ordinating role among the parties to bring their interests to the negotiating table and to establish acceptable federal-provincial implementation plans.

Although the NEDSA will not be officially operational until 1985-86, the Secretariat was successful in gaining over $600,000 in federal funding under the agreement for support of the Northern Teacher Education Program in the year under review. An excellent federal-provincial working relationship has been established and is expected to continue through the life of the Agreement.

Northern Ministers Conference

As a continuation of annual interprovincial/territorial dialogue concerning northern affairs, the Province of Saskatchewan hosted a conference of provincial and territorial ministers and officials responsible for northern development.

The 1984 Conference was held at Meadow Lake on September 19 and 20. Participants represented the provinces of Newfoundland, Ontario, Manitoba, Saskatchewan and Alberta, as well as the Yukon and the Northwest Territories. This was the sixth in a series of annual Northern Ministers Conferences hosted on a rotational basis by participating provinces and territories.

As usual, the Conference provided a stimulating framework for discussion of topics which this year included northern economic development initiatives, job creation strategies for remote communities and the potential effects of deregulation of northern air transportation services.

As part of the follow-up to the conference, communications were established with relevant members of newly elected federal government, inviting their active participation in future meetings. In 1985-86, the Northern Ministers' Conference is to be held in Ontario.

Mineral Surface Leases

One of the responsibilities assigned to the Secretariat is co-ordination on behalf of government of the negotiation of Crown land surface leases required by proponents to develop mining and milling facilities in northern Saskatchewan. The leases normally include both regulatory and socio-economic benefit components.

Although no new mineral developments took place in the year under review, developers showed considerable interest in gold exploration in the La Ronge/Reindeer Lake region.

In anticipation of at least one new gold mine opening in 1985-86 at Star Lake, the Secretariat began liaison with a variety of agencies to determine acceptable parameters for lease negotiation. These parameters are expected to be formalized into a standard format for negotiations during 1985-86.

Uranium City

Since closure of the Beaverlodge uranium mine and mill in 1982, Uranium City has experienced a virtual collapse of its economy accompanied by rapid depopulation. The Secretariat provided assistance throughout the year to coordinate delivery of a reasonable level of government services to remaining residents.

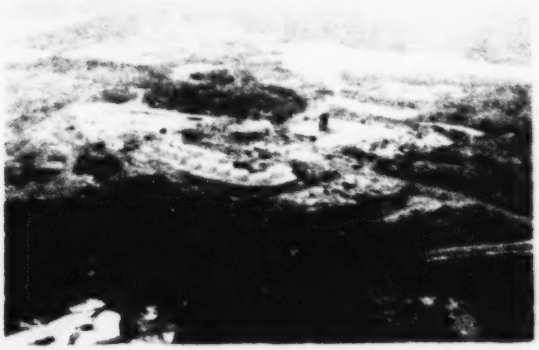
The Secretariat also administered a joint federal-provincial program to assist Uranium City residents to relocate to other centres within Canada in search of employment. The program, concluded early in 1985-86, assisted over one hundred twenty families to relocate, at a provincial cost of about $280,000.

Athabasca Hydro Transmission Line Extension

In conjunction with the Ministry of State for Economic and Regional Development, the Secretariat provided leadership in coordinating federal-provincial input to a proposal to extend hydro-transmission lines from Uranium City to the Eldor uranium mine on the west side of Wollaston Lake.

The proposed project would use electricity generated at three stations near Uranium City, owned by Eldorado Nuclear Limited, but essentially idle since closure of the Beaverlodge mine in mid-1982. The project was proved technically feasible and has the potential to provide hydro power to Camsell Portage, Uranium City, Fond du Lac, Black Lake and Stony Rapids, as well as to the mine. The line, if constructed, would dramatically lower power costs for existing residents and improve prospects for future northern development.

Although unresolved at year-end, productive negotiations among the parties involved were continuing. A final decision on the proposal is expected in 1985-86.



Government Services Directory

In part due to geographic isolation and limited media coverage, a common complaint heard from northern residents is lack of knowledge about government programs and services. To assist northern residents to access government services, Secretariat staff began compiling a directory of programs and services, together with contact people and their addresses and telephone numbers.

With the excellent cooperation which has been received from contributing departments and agencies, the directory is expected to be printed and ready for distribution in the north early next year.

Northern Advisory Services

Part of the Secretariat's mandate involves facilitating dialogue between government and northern residents. Toward year-end, work began to research and develop mechanisms to provide this necessary communication.

Although final details remained unresolved at year-end, the Secretariat plans to deliver to government in 1985-86 a proposal for an appointed public body to work at arm's length from government and to provide a direct link between northerners and the provincial Cabinet on issues related to northern development.

Northern Affairs Secretariat

Organization by Function